GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:4103
ANSWERED ON:23.03.2001
DISPUTE BETWEEN EU AND INDIA OVER EXPORT OF COTTON
IQBAL AHMED SARADGI

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether WTO had favoured India against the impositions of anti-dumping duties by European Union on exports of cotton bedlinen from India;

(b) if so, whether EU has contested WTO ruling on Indian textiles;

(c) if so, whether India has also objected to EU`s stand; and

(d) if so, the time by which the dispute is likely to be settled by WTO?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI OMAR ABDULLAH)

(a) to (d): Yes Sir. At India`s request the Dispute Settlement Body (DSB) of the World Trade Organization (WTO) had established a Panel in the dispute regarding imposition by European Union of final anti-dumping duties on imports of cotton-type bed linen from India. The Panel concluded that the European Union acted inconsistently with its obligations under certain provisions of the Agreement on Anti-dumping.

On 1st December 2000, the European Union notified their decision to appeal the Panel report in this dispute. India also appealed on certain issues of law and legal interpretation developed by the panel relating to the method adopted by EU for calculating the constructed normal value. Subsequently the Appellate Body in its report of 1st March 2001 upheld the claims made by India while rejecting the claim of European Union. The Panel and Appellate Body Reports have been adopted by the DSB of the WTO on 12th March, 2001, which has requested the European Union to bring its measures into conformity with its obligations under the Anti-dumping Agreement. In accordance with the provisions of WTO`s Understanding on Rules and Procedures Governing Settlement of Disputes, within 30 days after the date of adoption of the panel and the Appellate Body Reports, the European Union shall inform the DSB of its intentions in respect of implementation of the rulings and recommendations of the DSB. It is furthermore provided that if it is impracticable to comply immediately with the rulings and recommendations, the European Union shall have a reasonable period of time in which to do so.